

Welcome Home Heroes Fact Sheet

THE FINANCING PACKAGE:

Welcome Home Heroes is a comprehensive first-time homebuyer package for Illinois' military families, which includes:

- 30-year fixed rate loan at affordable rates
- \$10,000 grant forgivable over two years
- Up to \$21,000 in a mortgage credit certificate (MCC) over the span of a 30-year loan

Homebuyers must contribute at least \$1,000 or 1 percent (whichever is greater) of the purchase price

WHO QUALIFIES:

- Veterans (who need not be first-time buyers)
- Active military personnel, reservists and Illinois National Guard members (must be first-time buyers)
- Buyers must qualify based on income and purchase price limits. *For example, income for a family of four in the Chicago area cannot exceed \$104,720 for a home with a maximum purchase price of \$373,670.*

HOW TO APPLY:

Buyers should contact a lender in their area to apply. It is free to apply. A list of lenders is available at www.ihda.org/homeowner/heroes.htm. See income and purchase price limits below.

County	1 or 2 in household	3 or more in household	1 unit	2 units
Cook, DuPage, Kane, Lake, McHenry, Will	\$89,760	\$104,720	\$373,670	\$478,343
DeKalb	\$88,800	\$103,600	\$373,670	\$478,343
Grundy	\$94,320	\$110,040	\$373,670	\$478,343
Kendall	\$102,960	\$118,404	\$373,670	\$478,343
McLean	\$79,100	\$90,965	\$247,032	\$316,252
St. Clair, Clinton, Jersey, Madison, Monroe, Calhoun, Macoupin	\$71,100	\$81,765	\$256,329	\$328,146
Bond	\$71,173	\$81,849	\$256,329	\$328,146
Boone, Winnebago	\$76,080	\$88,760	\$309,189	\$395,817
All other counties	\$71,100	\$81,765	\$247,032	\$316,252

HOW THE FEDERAL CREDIT WORKS:

A mortgage credit certificate (MCC) enhances the benefit of the federal homeowner mortgage interest deduction. Homeowners with the credit are allowed to use 20 percent of their annual mortgage interest as a direct federal tax credit, resulting in a dollar-for-dollar reduction of their annual federal income tax liability. The remaining 80 percent of their annual mortgage interest will continue to qualify as an itemized tax deduction.

	Without MCC	With MCC
Income	\$55,000	\$55,000
Mortgage interest deduction	\$5,952	\$4,762 (80 percent of \$5,952)
Taxable income	\$49,048	\$50,238
Taxes paid @ 15 percent tax bracket	\$7,357	\$7,536
MCC tax credit	NA	\$1,190 (20 percent of \$5,952)
Income tax due	\$7,357	\$6,346
Tax savings	NA	\$1,011

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